



# STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

## Indiana Department of Insurance

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**To:** The Honorable Rodric Bray, Chairman, and members of the Legislative Council;  
The Honorable Mike Speedy, Chairman, and members of The House Financial Institutions Committee  
The Honorable Martin Carbaugh, Chairman, and members of The Insurance Committee; and  
The Honorable Scott Baldwin, Chairman, and members of the Senate Insurance and Financial Institutions Committee

**From:** Andrew Haughey, Attorney of the Indiana Department of Insurance

**Date:** October 31, 2023

**RE:** Annual Report of Amendments to the National Association of Insurance Commissioners (NAIC) Documents Incorporated by Reference under Title 27 of the Indiana Code

In compliance with IC 27-1-1.5-1(d), the Indiana Department of Insurance (IDOI) submits a list of the following amendments that were made to National Association of Insurance Commissioners (NAIC) documents currently incorporated by reference in the Indiana Code under Title 27.

The documents incorporated by reference include manuals and handbooks published by the NAIC that are used in the regulation of the business of insurance by the IDOI.

Below is a link to the webpage hosted by the IDOI which provides the most up to date version of each of the referenced manuals and handbooks:

<https://www.in.gov/idoi/3076.htm>

The following list of amendments were implemented after the publication date of the manuals and handbooks incorporated by reference in the Indiana Code under Title 27 and published after October 31st, 2022:

(E) Committee Memos: Fall 2022, Spring 2023, and Summer 2023

Accounting Practices and Procedures Manual

Financial Condition Examiners Handbook

Financial Analysis Handbook

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES 317-232-2389    COMPANY COMPLIANCE 317-232-3495    CONSUMER SERVICES 317-232-2395/1-800-622-4461    FINANCIAL SERVICES 317-232-2390    MEDICAL MALPRACTICE 317-232-2402    COMPANY RECORDS 317-232-5692    STATE HEALTH INSURANCE PROGRAM 1-800-452-4800

Annual Statement Instructions and Related Material

Purposes and Procedures Manual

Risk-Based Capital Instructions

Own Risk and Solvency Assessment Guidance Manual

Interpretation of the Statutory Accounting Principles Working Group (SAPWG)

November 2022 SAPWG Update

May 2023 SAPWG Update

August 2023 SAPWG Update

(A) Committee Changes

Valuation Manual

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**Revisions to the  
As of March 2022, Accounting Practices and Procedures Manual**

On **December 13, 2022**, the Statutory Accounting Principles (E) Working Group adopted the following revisions to the *As of March 2022 Accounting Practices and Procedures Manual*. Documents associated with these revisions are linked to the reference items in bold text.

Ref #	SSAP/ Appendix	Title	Summary
<b>INT 22-02</b>	SSAP No. 9 SSAP No. 101	<p>Interpretation (INT) 22-02: Third Quarter 2022 through First Quarter 2023 Reporting of the Inflation Reduction Act – Corporate Alternative Minimum Tax</p> <p style="text-align: center;"><i>Interpretation</i></p> <p>Effective Immediately (December 13, 2022)</p>	Revisions extend INT 22-02 for Dec. 31, 2022, and first quarter 2023 statutory financial statements. This INT provides an exception that does not require entities to assess valuation allowance and deferred tax asset impacts, tax estimates from the Inflation Reduction Act CAMT for third-quarter 2022 through first-quarter 2023. It also provides subsequent event exceptions and disclosures.
<b>2021-25</b>	SSAP No. 19 SSAP No. 73	<p>Leasehold Improvements After Lease Termination</p> <p style="text-align: center;"><i>SAP Clarification</i></p> <p>Effective Immediately (December 13, 2022)</p>	Revisions clarify that leasehold improvements shall be immediately expensed upon lease termination unless limited exceptions are met.
<b>2022-09</b>	SSAP No. 86	<p>ASU 2022-01 – Fair Value Hedging – Portfolio Layer Method</p> <p style="text-align: center;"><i>New SAP Concept</i></p> <p>Effective January 1, 2023 (Early adoption permitted)</p>	Revisions adopt with modification derivative guidance from <i>ASU 2017-12, Derivatives and Hedging</i> and <i>ASU 2022-01, Fair Value Hedging – Portfolio Layer</i> to incorporate the portfolio layer method and partial-term hedges for statutory accounting.
<b>2022-10</b>	SSAP No. 36	<p>ASU 2022-02 – Troubled Debt Restructurings and Vintage Disclosures</p> <p style="text-align: center;"><i>SAP Clarification</i></p> <p>Effective Immediately (December 13, 2022)</p>	Revisions reject <i>ASU 2022-02, Troubled Debt Restructurings and Vintage Disclosures</i> and identifies that retained guidance reflects superseded U.S. generally accepted accounting principles (GAAP).

Ref #	SSAP/ Appendix	Title	Summary
2022-13	SSAP No. 25 SSAP No. 97	Related Parties – Footnote Updates  <i>SAP Clarification</i>  Effective Immediately (December 13, 2022)	Revisions identify foreign open-end investment funds as a fund in which ownership percentage is not deemed to reflect control unless the entity actually controls with the power to direct the underlying company.

[https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national meetings/a. national meeting materials/2022/fall - december/adoptions/adoptions 12.13.2022 toc.docx](https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national%20meetings/a.%20national%20meeting%20materials/2022/fall%20-%20december/adoptions/adoptions%2012.13.2022%20toc.docx)

**Revisions to the  
As of March 2023, Accounting Practices and Procedures Manual**

On **March 22, 2023**, the Statutory Accounting Principles (E) Working Group adopted the following revisions to the *As of March 2023 Accounting Practices and Procedures Manual*. Documents associated with these revisions are linked to the reference items in bold text.

Ref #	SSAP/ Appendix	Title	Summary
<b>Issue Paper No. 167</b>	SSAP No. 86	<i>Issue Paper No. 167, Derivatives and Hedging</i>  <i>New SAP Concept</i>  Effective Immediately	Adoption of <i>Issue Paper No. 167—Derivatives and Hedging</i> to detail the historical actions of the authoritative guidance resulting in new SAP concepts within <i>SSAP No. 86—Derivatives</i> . As the statutory accounting guidance has already been adopted, the issue paper adoption is for historical documentation and does not change authoritative guidance.
<b>2022-15</b>	SSAP No. 25	SSAP No. 25 – Affiliate Reporting Clarification  <i>SAP Clarification</i>  Effective Immediately (March 22, 2023)	Revisions clarify that any invested asset held by a reporting entity which is issued by an affiliated entity, or which includes the obligations of an affiliated entity, is an affiliated investment.
<b>2022-16</b>	SSAP No. 100R	<i>ASU 2022-03, Fair Value Measurement of Restricted Securities</i>  <i>SAP Clarification</i>  Effective Immediately (March 22, 2023)	Revisions adopt with modification the fair value measurement guidance from <i>ASU 2022-03, Fair Value Measurement of Restricted Securities</i> to incorporate updated guidance for restricted securities for statutory accounting. The disclosures from ASU 2022-03 were not adopted.
<b>2022-17</b>	SSAP No. 34	Interest Income Disclosure Update  <i>SAP Clarification</i>  Effective December 31, 2023	Revisions adopt additional disclosures in SSAP No. 34 to data capture the gross, nonadmitted and admitted amounts of interest income due and accrued, and to reflect the cumulative amount of paid-in-kind interest income included in the current principal balance.

<b>Ref #</b>	<b>SSAP/ Appendix</b>	<b>Title</b>	<b>Summary</b>
<b>2022-18</b>	SSAP No. 105R	<i>ASU 2022-04, Disclosure of Supplier Finance Program Obligations</i>  <i>SAP Clarification</i>  Effective Immediately (March 22, 2023)	Revisions reject <i>ASU 2022-04, Disclosure of Supplier Finance Program Obligations</i> for statutory accounting.
<b>AG 49-A</b>	Appendix C	<i>Actuarial Guideline XLIX-A— The Application of the Life Illustrations Model Regulation to Policies with Index-Based Interest Sold (On or After December 14, 2020)</i>	Revisions to AG 49-A were adopted by the Life Actuarial (A) Task Force on December 11, 2022; adopted by the Life Insurance and Annuities (A) Committee on February 24, 2023; adopted by the Executive (EX) Committee and Plenary on March 25, 2023.
<b>AG 54</b>	Appendix C	<i>Actuarial Guideline LIV— Nonforfeiture Requirements for Index-Linked Variable Annuity Products</i>	New AG 49-A was adopted by the Life Actuarial (A) Task Force on December 11, 2022; adopted by the Life Insurance and Annuities (A) Committee on February 24, 2023; adopted by the Executive (EX) Committee and Plenary on March 25, 2023.

[https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national meetings/a. national meeting materials/2023/3-22-23 - spring/adoptions/adoptions 03.22.2023 toc.docx](https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national%20meetings/a.national%20meeting%20materials/2023/3-22-23%20-%20spring/adoptions/adoptions%2003.22.2023%20toc.docx)

**Revisions to the  
As of March 2023 Accounting Practices and Procedures Manual**

On **May 16, 2023**, the Statutory Accounting Principles (E) Working Group adopted the following revisions to the *As of March 2023 Accounting Practices and Procedures Manual*. Documents associated with these revisions are linked to the reference items in bold text.

Ref #	SSAP/ Appendix	Title	Summary
<b>INT 22-02</b>	SSAP No. 9 SSAP No. 101	<p>INT 22-02: Third Quarter 2022 through Second Quarter 2023 Reporting of the Inflation Reduction Act - Corporate Alternative Minimum Tax</p> <p style="text-align: center;"><i>SAP Clarification</i></p> <p style="text-align: center;">Effective Immediately (May 16, 2023)</p>	<p>Adoption of <i>INT 22-02</i> extends this interpretation for the second quarter 2023 statutory financial statements. For application to the second quarter 2023 financial statements, reporting entities shall follow the guidance in this interpretation paragraphs 17 a-c.</p>
<b>2023-11EP</b>	SSAP No. 86 Various	<p>Editorial and Maintenance Update</p> <p style="text-align: center;"><i>Editorial Revisions</i></p> <p style="text-align: center;">Effective Immediately (May 16, 2023)</p>	<p>Revisions change SSAP No. 86 references of “Intrinsic Value” to reflect “Volatility Value”. In addition, “percent” is changed to “%” and all citations to <i>the Purposes and Procedures Manual of the NAIC Investment Analysis Office</i> are streamlined so they do not reflect a specific location in the Manual or a webpage.</p>

[https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national meetings/a. national meeting materials/2023/-23/adoptions/adoptions\\_2023 toc.docx](https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national%20meetings/a.%20national%20meeting%20materials/2023/-23/adoptions/adoptions_2023_toc.docx)

**Revisions to the  
As of March 2023, Accounting Practices and Procedures Manual**

On **August 13, 2023**, the Statutory Accounting Principles (E) Working Group adopted the following revisions to the *As of March 2023 Accounting Practices and Procedures Manual*. Documents associated with these revisions are linked to the reference items in bold text.

Ref #	SSAP/ Appendix	Title	Summary
2019-21	<b>SSAP No. 26R</b> <b>SSAP No. 43R</b> <b>Various SSAPs</b>	Bond Definition  <i>New SAP Concept</i>  Effective January 1, 2025	Adoption revises <i>SSAP No. 26R—Bonds</i> and <i>SSAP No. 43R—Loan-Backed and Structured Securities</i> for the principles-based bond definition, the accounting for bonds (issuer credit obligations and asset-backed securities), as well as revisions to various SSAPs that have been updated to reflect the revised definition and/or SSAP references.
<b>2022-01</b>	SSAP No. 5R <b>IP No. 168</b>	Conceptual Framework  <i>SAP Clarification</i>  Effective Immediately (August 13, 2023)	Adoption revises the definition of a liability under statutory accounting to be more consistent with recent FASB revisions.
<b>2022-19</b>	<b>INT 23-01</b>	Negative IMR  <i>New SAP Concept</i>  Effective Immediately (August 13, 2023)	Adoption provides an optional, limited-time guidance, which allows the admittance of net negative (disallowed) interest maintenance reserve (IMR) up to 10% of adjusted capital and surplus. <i>INT 23-01: Net Negative (Disallowed) Interest Maintenance Reserve</i> will be automatically nullified on January 1, 2026.
<b>2023-02</b>	SSAP No. 43R	CLO Financial Modeling  <i>SAP Clarification</i>  Effective December 31, 2023	Adopted revisions incorporate changes to add collateralized loan obligations (CLOs) to the financial modeling guidance and to clarify that CLOs are not captured as legacy securities.
<b>2023-05</b>	<b>INT 20-01</b>	<i>ASUs 2020-04, 2021-01 &amp; 2022-06 - Reference Rate Reform</i>  <i>SAP Clarification</i>  Effective Immediately (August 13, 2023)	Adoption provides a temporary (optional) expedient and exception interpretative guidance to revise the expiration date of the guidance in <i>INT 20-01: ASUs 2020-04 &amp; 2021-01 – Reference Rate Reform</i> to December 31, 2024.



Ref #	SSAP/ Appendix	Title	Summary
2023-06	SSAP No. 24	Additional Updates on <i>ASU 2021-10, Government Assistance</i>  <i>SAP Clarification</i>  Effective Immediately (August 13, 2023)	Adoption clarifies <i>SSAP No. 24—Discontinued Operations and Unusual or Infrequent Items</i> for the rejection of <i>ASU No. 2021-10</i> while incorporating certain disclosures regarding government assistance.
2023-07	SSAP No. 47 SSAP No. 95 SSAP No. 104R	<i>ASU 2019-08 on Stock Compensation and Revenue Recognition</i>  <i>SAP Clarification</i>  Effective Immediately (August 13, 2023)	Revisions adopt with modification <i>ASU 2019-08</i> to include share-based consideration payable to customers in the scope of <i>SSAP No. 47—Uninsured Plans</i> , <i>SSAP No. 95—Nonmonetary Transactions</i> , and <i>SSAP No. 104R—Share-Based Payments</i> .
2023-08	Appendix D	<i>ASU 2019-07, Codification Updates to SEC Sections...</i>  <i>SAP Clarification</i>  Effective May 1, 2023	Adoption rejects <i>ASU 2019-07</i> as not applicable for statutory accounting.
2023-09	Appendix D	<i>ASU 2020-09, Amendments to SEC Paragraphs...</i>  <i>SAP Clarification</i>  Effective Immediately (August 13, 2023)	Adoption rejects <i>ASU 2020-09</i> as not applicable for statutory accounting.
2023-10	Appendix D	<i>ASU 2022-05, Transition for Sold Contracts</i>  <i>SAP Clarification</i>  Effective Immediately (August 13, 2023)	Adoption rejects <i>ASU 2022-05</i> as not applicable for statutory accounting.
2023-13	SSAP No. 34	PIK Interest Disclosure  <i>SAP Clarification</i>  Effective for year-end 2023 disclosures	Adopted revisions clarify and incorporate a practical expedient to the paid-in-kind (PIK) interest aggregate disclosure for <i>SSAP No. 34—Investment Income Due and Accrued</i> and proposed annual statement instructions.

**Revisions to the  
As of March 2023, Accounting Practices and Procedures Manual**

On **September 21, 2023**, the Statutory Accounting Principles (E) Working Group adopted the following revisions to the *As of March 2023 Accounting Practices and Procedures Manual*. Documents associated with these revisions are linked to the reference items in bold text.

Ref #	SSAP/ Appendix	Title	Summary
<b>INT 23-02</b>	SSAP No. 9 SSAP No. 101	<p><i>INT 23-02: Third Quarter 2023 Inflation Reduction Act – Corporate Alternative Minimum Tax SAP Clarification</i></p> <p>Effective immediately for third quarter 2023 reporting (September 21, 2023); Automatically nullifies on November 16, 2023</p>	Adoption provides guidance for third quarter 2023 CAMT reporting and requires disclosures, but not accrual of a liability.
<b>2023-04</b>	<b>INT 23-03</b> SSAP No. 4 SSAP No. 9 SSAP No. 101	<p><i>INT 23-03: Inflation Reduction Act – Corporate Alternative Minimum Tax SAP Clarification</i></p> <p>Effective for reporting on or after December 31, 2023</p>	Adoption provides guidance for CAMT reporting on or after year-end 2023 and addresses accounting, the statutory valuation allowance, admissibility, disclosures, and year-end 2023 transition.
<b>2023-12</b>	SSAP No. 43R SSAP No. 48	<p>Residuals in SSAP No. 48 Investments</p> <p><i>SAP Clarification</i></p> <p>Effective for year-end December 31, 2023</p>	Adoption includes revisions to <i>SSAP No. 43R—Loan-Backed and Structured Securities</i> , <i>SSAP No. 48—Joint Ventures, Partnerships and Limited Liability Companies</i> , and the annual statement instructions for the reporting of residual interests, so that all residuals are captured on the dedicated Schedule BA – Other Long-Term Invested Assets reporting lines.

[https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national meetings/a. national meeting materials/2023/9-21-23/adoptions/00 - adoptions 09.21.2023 toc.docx](https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national%20meetings/a.national%20meeting%20materials/2023/9-21-23/adoptions/00-adoptions09.21.2023.toc.docx)

**Revisions to the  
As of March 2023, Accounting Practices and Procedures Manual**

On **October 23, 2023**, the Statutory Accounting Principles (E) Working Group adopted the following revisions to the *As of March 2023 Accounting Practices and Procedures Manual*. Documents associated with these revisions are linked to the reference items in bold text.

Ref #	SSAP/ Appendix	Title	Summary
<b>2022-11</b>	SSAP No. 20 SSAP No. 21R	Collateral for Loans <i>SAP Clarification</i> Effective immediately October 23, 2023	Adoption includes consistency revisions to SSAP No. 20. Revisions to SSAP No. 21R provide more detail on qualifying collateral, require information to support fair value of collateral to be available on request, and provide audit transition guidance for equity collateral from entities in the scope of SSAP No. 48— <i>Joint Ventures, Partnerships and Limited Liability Companies</i> and SSAP No. 97— <i>Investments to Subsidiary, Controlled and Affiliated Entities</i> .
<b>2023-18</b>	SSAP No. 5R SSAP No. 92 SSAP No. 102 SSAP No. 103R	ASU 2016-19, Technical Corrections and Improvements <i>SAP Clarification</i> Effective immediately October 23, 2023	Adoption includes revisions to adopt with modification ASU 2016-19 in SSAP No. 5R— <i>Liabilities, Contingencies and Impairments of Assets</i> , SSAP No. 92— <i>Postretirement Benefits Other Than Pensions</i> , and SSAP No. 102— <i>Pensions and SSAP No. 103R—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities</i> to update statutory accounting guidance for changes made to GAAP and standardize the terminology used for insurance contracts in SSAP No. 92 and SSAP No. 102.
<b>2023-19</b>	Appendix D	ASU 2018-09, Codification Improvements <i>SAP Clarification</i> Effective immediately October 23, 2023	Adoption rejects ASU 2018-09 as not applicable for statutory accounting.
<b>2023-20</b>	Appendix D	ASU 2020-10, Codification Improvements <i>SAP Clarification</i> Effective immediately October 23, 2023	Adoption rejects ASU 2020-10 as not applicable for statutory accounting

Ref #	SSAP/ Appendix	Title	Summary
2023-21	SSAP No. 92 SSAP No. 102	Removal of Transition Guidance from SSAP No. 92 and SSAP No. 102  <i>SAP Clarification</i>  Effective immediately October 23, 2023	Adoption includes revisions to <i>SSAP No. 92— Postretirement Benefits Other Than Pensions and SSAP No. 102—Pensions</i> to remove the initial transition guidance as the 10-year effective period of the guidance has expired.

[https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national meetings/a. national meeting materials/2023/10-23-23/adoptions/00 - adoptions 10.23.2023 toc.docx](https://naiconline.sharepoint.com/teams/frsstatutoryaccounting/national%20meetings/a.%20national%20meeting%20materials/2023/10-23-23/adoptions/00%20-%20adoptions%2010.23.2023%20toc.docx)

### ***Financial Condition (E) Committee Technical Changes***

**Background Information.** At the 2009 Fall National Meeting, the NAIC membership approved a new process for the final adoption of technical matters coming from the Financial Condition (E) Committee. The new process was enacted to provide these technical changes to the industry and affected parties as quickly as possible to allow them more time to modify their systems and processes for such changes.

#### **Details of Process Adopted**

1. A list of technical items (shown on the page(s) that follow) will be provided from the Financial Condition (E) Committee to the Executive (EX) Committee and Plenary within one week of the completion of the national meeting.
2. The list contains only what the Financial Condition (E) Committee considers technical and routine, and it does not include items that are significant by NAIC standards (e.g., it would not include proposed model laws, model regulations, or guidelines) or items considered controversial.
3. Members of the Executive (EX) Committee and Plenary have 10 days to review the attached list and voice any objection with respect to a specific item.
4. If no objections are raised on a particular item, or any of the items, each and all items will be considered adopted by the Executive (EX) Committee and Plenary, similar to the consent agenda process.
5. If there is an objection on any one or multiple items, a joint meeting of the Executive (EX) Committee and Plenary will be scheduled to address the particular item(s).
6. Items receiving no objection will be considered adopted and thus inserted into the appropriate publication and/or made available to the industry and other parties for implementation.

**Request for Approval.** Under the above process, the Executive (EX) Committee and Plenary members are hereby requested to review the attached list and voice any objections to a specific item(s) by **Jan 9, 2023**. Any item(s) receiving an objection will be pulled from this automatic consideration, and a meeting will be scheduled to address the issue.

**Action Taken During 2022 Fall National Meeting**

Date Released to Executive (EX) Committee and Plenary Members:

December 22, 2022

Objections Due from Executive (EX) Committee and Plenary Members:

January 9, 2023

The following technical items were adopted by the Financial Condition (E) Committee during the 2022 Fall National Meeting:

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**1. Accounting Practices and Procedures Manual (AP&P Manual) Changes and Related Items**

- Adopted the following clarifications to statutory accounting guidance:
  - *Statement of Statutory Accounting Principles (SSAP) No. 19—Furniture, Fixtures, Equipment and Leasehold Improvements* and *SSAP No. 73—Health Care Delivery Assets and Leasehold Improvements in Health Care Facilities*: Revisions clarify that leasehold improvements shall be immediately expensed upon lease termination unless limited exceptions are met. (Ref #2021-25)
  - *SSAP No. 25—Affiliates and Other Related Parties* and *SSAP No. 97—Investments in Subsidiary, Controlled and Affiliated Entities*: Revisions identify foreign open-end investment funds as a fund in which ownership percentage is not deemed to reflect control unless the entity controls with the power to direct the underlying company. (Ref #2022-13)
  - *SSAP No. 36—Troubled Debt Restructuring*: Revisions reject *Accounting Standards Update (ASU) 2022-02, Troubled Debt Restructurings and Vintage Disclosures* and identify that retained guidance reflects superseded U.S. generally accepted accounting principles (GAAP). (Ref #2022-10)
  - *SSAP No. 86—Derivatives*: Revisions adopt with modification derivative guidance from *ASU 2017-12, Derivatives and Hedging* and *ASU 2022-01, Fair Value Hedging – Portfolio Layer Method* to include guidance for the portfolio layer method and partial-term hedges. These revisions are effective Jan. 1, 2023, with early adoption permitted. (Ref #2022-09)
  - *Interpretation (INT) 22-02: Third Quarter 2022 Reporting of the Inflation Reduction Act – Corporate Alternative Minimum Tax* was initially adopted on Oct. 24, and a modified INT 22-02 was adopted at the Fall National Meeting and renamed “*Third Quarter 2022 through First Quarter 2023 Reporting of the Inflation Reduction Act*” to provide statutory accounting exceptions and disclosure requirements in response to the Inflation Reduction Act of 2022.

**2. Financial Condition Examiners Handbook Changes, Other Examination Tools, and Related Items**

- Adopted revisions to the following sections of the *Financial Condition Examiners Handbook*:
  - Section 1-2 (D): Salary and Per Diem Guidelines to include updated legacy daily rates for various financial examination positions adopted by the Risk-Focused Surveillance (E) Working Group.
  - Section 1-3 (D): Guidance added related to terrorism reinsurance that was previously maintained in the *Solvency Monitoring Risk Alert*.
  - Section 1-3 (A): General Information Technology Review, Exhibit C Part Two: IT Work Program, and Exhibit C Part Three: IT Summary Review Memo – Guidance added to clarify the role of information technology (IT) examiners in identifying and evaluating IT prospective risks and involvement in the financial examination after the IT review is complete. Also added guidance

emphasizing that additional scrutiny may be required when examining companies that heavily outsource operations to third parties.

- Capital & Surplus Examination Repository: New guidance added to integrate the updated Own Risk and Solvency Assessment (ORSA) guidance, including Capital Model Review Procedures, more directly into the exam process. Also added guidance for monitoring startup insurers to evaluate the reasonableness of an insurer's business plan, projections, strategy, and specifically, the projected timeline to profitability and the level of funding needed to meet targets.
- Investments Examination Repository and Reserves/Claims Handling—Life Examination Repository: New guidance related to private equity (PE) issues intended to assist examiners in evaluating related party investment holdings, as well as asset adequacy of complex investments.
- Underwriting Examination Repository: New guidance related to uncollected premiums and agent balances that emphasizes the importance of understanding and evaluating affiliated relationships in monitoring the services provided by and receivable balances due from key agents and producers. Also added a possible control procedure related to tracking unique exposures, including terrorism, at a more granular level (e.g., by geocode).
- Exhibit E—Audit Review Procedures: Updates to clarify expectations surrounding Audit Awareness Letters.
- Approved updates to the Exhibit C mapping tool on the IT Examination (E) Working Group website to include references to the Service Organization Control (SOC) 2 processes.

### **3. *Financial Analysis Handbook* Changes and Related Items**

- Adopted enhancements for the *Financial Analysis Handbook* that include analysis procedures and guidance for documentation of the analysis of the Form F Enterprise Risk Report, the Corporate Governance Annual Disclosure (CGAD), terrorism risk, agents balances and premium trust accounts, monitoring startup insurers, interstate communication in the redomestication of an insurer, intercompany pooling arrangements, new disclosures of investments involving related parties, clarifications on branded risk assessments, federal Centers for Medicare & Medicaid (CMS) Star Ratings, *Actuarial Guideline LIII—Application of the Valuation Manual for Testing of Adequacy of Life Insurer Reserve* (AG 53), the prioritization framework for the definition of priority 4 insurers, and the quarterly quantitative assessment of non-troubled insurers.

### **4. Implementation Guide for *Annual Financial Reporting Model Regulation* (#205) Changes and Related Items**

- None.

### **5. *Annual Statement Instructions* Changes and Related Items**

- Adopted revisions to the *Annual Statement Instructions*:
  - 2022-12BWG – Combined the Health Analysis of Operations by Lines of Business Supplement page and the Health Care Receivable Supplement pages (Exhibits 3 and 3A) into one supplement filing set for health blank pages filed as a supplement by life/fraternal companies.

*Financial Condition (E) Committee Technical Changes*

- 2022-19BWG Modified – Modified the Life Insurance (State Page) to include the line of business detail reported on the Analysis of Operations by Lines of Business pages. Adds definitions for life and annuity products to the lines of business definitions in the health appendix.
- Adopted editorial listing.
- Approved language to the blanks proposal form to address duplication of reporting.
- Approved the state filing checklists.

**6. Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual) and Related Items**

- Adopted the following amendments to the P&P Manual:
  - Added updated instructions for Subsidiary, Controlled, and Affiliated (SCA) and Related Party Debt or Preferred Stock Investments to clarify that it includes non-control relationships. The expanded definition includes structures in which the non-issuer underlying credit exposure would qualify as a related party pursuant to paragraph 4.a. in *SSAP No. 43R—Loan-Backed and Structured Securities*. It also creates a new category of SCA and related party investment called SCA and Related Party Filing Exempt Investments, which would mean any investment issued by an affiliate or related party special purpose entity (SPE), which itself is not an obligor or ultimate source of the investment repayment; or issued as part of a structure in which the originator, sponsor, manager, servicer, or other influential transaction party is an affiliate or related party of the reporting insurance company. SCA and Related Party Filing Exempt Investments would be eligible for filing exemption (FE) unless otherwise ineligible, for reasons other than their affiliate or related party status. The P&P Manual also clarifies that state insurance regulators are permitted, as specified in Part One of the P&P Manual, to require an insurance company to file what would otherwise be an SCA and Related Party Filing Exempt Investment for analysis and/or assignment of an NAIC designation only by the Securities Valuation Office (SVO), thereby making it ineligible for FE in the future.

**7. NAIC Risk-Based Capital (RBC) Formula Changes and Related Items**

- Adopted the following amendments to the RBC formulas:
  - Updated Jan. 1 – Sept. 30 U.S. and non-U.S. catastrophe risk event lists.
  - Proposal 2022-10-H – Modifying the preferred stock instructions in the health formula to delete the sentence on the development of preferred stock factors because of the changes to the bond factors.
  - Proposal 2022-11-H – Modifying the Underwriting Risk – Experience Fluctuation Risk on page XR013 and changes to the Analysis of Operations on page XR014 in the Health formula to reflect changes adopted under annual statement blanks proposal 2021-17BWG-MOD.
  - Proposal 2022-07-P – Modifying the lines of business categories on page PR035 of the property/casualty (P/C) formula to provide consistency in the lines of business categories used in the annual statement, Underwriting and Investment Exhibit, Part 1B.
  - Proposal 2022-08-CR – Modifying the Catastrophe Risk instructions of the P/C formula to: 1) capture the spirit of the own model permission review; and 2) clarify the requirements expected from the company that submits its own model for permission.



**8. Uniform Certificate of Authority Application (UCAA), *Company Licensing Best Practices Handbook*, and Related Items**

- None.

**9. *NAIC Own Risk and Solvency Assessment (ORSA) Guidance Manual (ORSA Guidance Manual)* and Related Items**

- Substantive changes to the ORSA Guidance Manual were approved by the Executive (EX) Committee at the Fall National Meeting, and they are not subject to approval through this process.

**10. *Receiver's Handbook for Insurance Company Insolvencies (Receiver's Handbook)* and Related Items**

- None.

**11. *Process for Evaluating Qualified and Reciprocal Jurisdictions* and Related Items**

- None.

**13. *NAIC Enterprise Risk Report (Form F) Implementation Guide* and Related Items**

- None.

**14. *Troubled Insurance Company Handbook Changes* and Related Items**

- None.

**15. *Risk Retention Group (RRG) Regulatory Tools* and Related Items**

- Adopted the RRG Preliminary Memorandum, an optional tool designed to be completed by a domiciliary state when a new RRG is formed and the Insurer Profile Summary (IPS) is not yet available. It can be shared with non-domiciliary states in which the RRG is registering. It forms the basis of the IPS and would be replaced by the IPS once the first annual statement filing is received.

**16. *Group Capital Calculation (GCC) Instructions and Template***

- None.

**17. *Financial Stability/Macroprudential Risk Assessment Tools* and Related Items**

- The Financial Stability (E) Task Force adopted the 2022 Liquidity Stress Testing Framework (LST Framework) with no substantive changes from the 2021 LST Framework.

### ***Financial Condition (E) Committee Technical Changes***

**Background Information.** At the 2009 Fall National Meeting, the NAIC membership approved a new process for the final adoption of technical matters coming from the Financial Condition (E) Committee. The new process was enacted to provide these technical changes to the industry and affected parties as quickly as possible to allow them more time to modify their systems and processes for such changes.

#### **Details of Process Adopted**

1. A list of technical items (shown on the page(s) that follow) will be provided from the Financial Condition (E) Committee to the Executive (EX) Committee and Plenary within one week of the completion of the national meeting.
2. The list contains only what the Financial Condition (E) Committee considers technical and routine, and it does not include items that are significant by NAIC standards (e.g., it would not include proposed model laws, model regulations, or guidelines) or items considered controversial.
3. Members of the Executive (EX) Committee and Plenary have 10 days to review the attached list and voice any objection with respect to a specific item.
4. If no objections are raised on a particular item, or any of the items, each and all items will be considered adopted by the Executive (EX) Committee and Plenary, similar to the consent agenda process.
5. If there is an objection on any one or multiple items, a joint meeting of the Executive (EX) Committee and Plenary will be scheduled to address the particular item(s).
6. Items receiving no objection will be considered adopted and thus inserted into the appropriate publication and/or made available to the industry and other parties for implementation.

**Request for Approval.** Under the above process, the Executive (EX) Committee and Plenary members are hereby requested to review the attached list and voice any objections to a specific item(s) by **April 24, 2023**. Any item(s) receiving an objection will be pulled from this automatic consideration, and a meeting will be scheduled to address the issue.

*Financial Condition (E) Committee Technical Changes*  
**Action Taken During 2023 Spring National Meeting**

Date Released to Executive (EX) Committee and Plenary Members:

April 12, 2023

Objections Due from Executive (EX) Committee and Plenary Members:

April 24, 2023

The following technical items were adopted by the Financial Condition (E) Committee during the 2023 Spring National Meeting:

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**1. Accounting Practices and Procedures Manual (AP&P Manual) Changes and Related Items**

- Adopted the following new statutory accounting principle (SAP) concept revisions:
  - *Issue Paper No. 167—Derivatives and Hedging*, which historically documents revisions adopted with modification from U.S. generally accepted accounting principles (GAAP) to *Statement of Statutory Accounting Principles (SSAP) No. 86—Derivatives*. (Ref #2017-33)
- Adopted the following clarifications to statutory accounting guidance:
  - *SSAP No. 25—Affiliates and Other Related Parties*: Revisions clarify that any invested asset held by a reporting entity that is issued by an affiliated entity, or which includes the obligations of an affiliated entity, is an affiliated investment. (Ref #2022-15)
  - *SSAP No. 34—Investment Income Due and Accrued*: Revisions add and data-capture additional disclosures. Directed NAIC staff to submit a corresponding blanks proposal to the Blanks (E) Working Group for year-end 2023. (Ref #2022-17)
  - *SSAP No. 100R—Fair Value*: Revisions adopt, with modification, *Accounting Standards Update (ASU) 2022-03, Fair Value Measurement of Equity Securities Subject to Contractual Sales Restrictions*, with modification to reject the contractual sales restrictions disclosures. (Ref #2022-16)
  - *SSAP No. 105R—Working Capital Finance Investments*: Rejects guidance from *ASU 2022-04, Disclosure of Supplier Finance Program Obligations*, as the disclosures are for borrowers, not insurance entity investors. (Ref #2022-18)

**2. Financial Condition Examiners Handbook Changes, Other Examination Tools, and Related Items**

- None.

**3. Financial Analysis Handbook Changes and Related Items**

- None.

**4. Implementation Guide for Annual Financial Reporting Model Regulation (#205) Changes and Related Items**

- None.

**5. Annual Statement Instructions Changes and Related Items**

- Adopted revisions to the *Annual Statement Instructions*:
  - 2022-14BWG Modified – Modified Exhibit 1, Parts 1 and 2, and Exhibit 8, Parts 1 and 2, in the life and accident and health (A&H)/fraternal blank, to include the line of business detail reported on the Analysis of Operations by Lines of Business pages.

*Financial Condition (E) Committee Technical Changes*

- 2022-15BWG – Revised the language of Schedule H, Part 5 to remove the 5% of premiums filing exemption (FE) from the life, A&H/fraternal, and property/casualty (P/C) blanks.
- 2022-16BWG – Removed Supplemental Health Care Exhibit Part 3 and Supplemental Health Care Exhibit’s Expense Allocation Report.
- 2022-18BWG – Corrected instructions on the handling of exchange-traded funds (ETFs) and/or Securities Valuation Office (SVO)-identified funds within the interest maintenance reserve (IMR) and the asset valuation reserve (AVR) for the life and A&H/fraternal blanks.
- 2022-20BWG – Modified the instructions and blanks for various health exhibits to change the order of the Vision and Dental lines of business to be consistent with all other statement types.
- Adopted editorial listing.

**6. *Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual) and Related Items***

- Adopted the following amendments to the P&P Manual:
  - Added a non-substantive update to clarify that an NAIC 5GI Designation is the equivalent of an NAIC 5.B Designation Category.
  - Removed financially modeled collateralized loan obligations (CLOs) from FE eligibility and assigned responsibility for modeling the NAIC Designation Categories to the NAIC’s Structured Securities Group (SSG).

**7. *NAIC Risk-Based Capital (RBC) Formula Changes and Related Items***

- Adopted the following amendments to the RBC formulas:
  - Proposal 2022-09-CA – Modifying the Affiliated Investments instructions to provide consistency in the treatment of affiliates for all lines of business.
  - Proposal 2022-13-CA – Modifying the line references to be consistent with the changes in the Annual Statement, Schedule H, which was adopted under blanks proposal 2021-14BWG MOD.
  - Proposal 2022-14-H – Removing the sentence “The calculation is informational-only until state statutes are implemented so that the trend test would trigger a Company Action Level RBC regulatory action per the statute,” given that all states have adopted the trend test.
  - Proposal 2022-15-H – Renumbering all the lines on page XR008 to allow for easier updates in the future for any adjustments to the bonds.

**8. *Uniform Certificate of Authority Application (UCAA), Company Licensing Best Practices Handbook, and Related Items***

- Adopted the following amendments:
  - Proposal 2022-03 – Domestic corporate amendment application and instructions.
  - Proposal 2023-01 – Redomestication form 2R, modification to remove any information unrelated to start-up companies.

**9. NAIC Own Risk and Solvency Assessment (ORSA) Guidance Manual (ORSA Guidance Manual) and Related Items**

- None.

**10. Receiver's Handbook for Insurance Company Insolvencies (Receiver's Handbook) and Related Items**

- Adopted revisions as part of the charge to conduct an overall review and update of the Receiver's Handbook.

**11. Process for Evaluating Qualified and Reciprocal Jurisdictions and Related Items**

- None.

**13. NAIC Enterprise Risk Report (Form F) Implementation Guide and Related Items**

- None.

**14. Troubled Insurance Company Handbook Changes and Related Items**

- None.

**15. Risk Retention Group (RRG) Regulatory Tools and Related Items**

- None.

**16. Group Capital Calculation (GCC) Instructions and Template**

- None.

**17. Financial Stability/Macroprudential Risk Assessment Tools and Related Items**

- None.

**Action Taken During 2023 Summer National Meeting**

Date Released to Executive (EX) Committee and Plenary Members:

Aug. 24, 2023

Objections Due from Executive (EX) Committee and Plenary Members:

Sept. 5, 2023

The following technical items were adopted by the Financial Condition (E) Committee during the 2023 Summer National Meeting:

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**1. Accounting Practices and Procedures Manual (AP&P Manual) Changes and Related Items**

- Adopted the following new statutory accounting principle (SAP) concept revisions:
  - *Statement of Statutory Accounting Principles (SSAP) No. 26R—Bonds, SSAP No. 43R—Loan-Backed and Structured Securities*, and other impacted SSAPs: Revisions incorporate a new principles-based bond definition and updated accounting guidance with an effective date of Jan. 1, 2025. (The revised title of SSAP No. 43R was also adopted.) (Ref #2019-21)
  - *Interpretation (INT) 23-01: Net Negative (Disallowed) Interest Maintenance Reserve*: Adopted a new INT to provide an optional, limited-time exception to existing statutory accounting guidance, allowing admittance of net negative (disallowed) interest maintenance reserve (IMR) up to 10% of adjusted capital and surplus, effective until Dec. 31, 2025. (Ref #2022-19)
- Adopted the following clarifications to statutory accounting guidance:
  - *SSAP No. 5R—Liabilities, Contingencies, and Impairments of Assets and Issue Paper No. 168—Updates to the Definition of a Liability*: Revisions incorporate the updated definition of a liability from *FASB Statement Financial Accounting Concepts No. 8, Chapter 4, Elements of Financial Statements*. (Ref #2022-01)
  - *SSAP No. 24—Discontinued Operations and Unusual or Infrequent Items*: Revisions reject *Accounting Standards Update (ASU) 2021-10, Government Assistance* but captures disclosures on government assistance. (Ref #2023-06)
  - *SSAP No. 34—Investment Income Due and Accrued*: Revisions clarify and incorporate a practical expedient to the paid-in-kind (PIK) interest aggregate disclosure. (Ref #2023-13)
  - *SSAP No. 43R—Loan-Backed and Structured Securities*: Revisions add collateralized loan obligations (CLOs) to the financial modeling guidance as non-legacy securities. (Ref #2023-02)
  - *SSAP No. 95—Nonmonetary Transactions and SSAP No. 104R—Share-Based Payments*: Revisions adopt, with modification, *ASU 2019-08, Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Codification Improvements—Share-Based Consideration Payable to a Customer*, adding guidance to include share-based consideration payable to customers. (Ref #2023-07)
  - *INT 20-01: ASU 2020-04 and 2021-01 – Reference Rate Reform*: Revisions extend the expiration date of INT 20-01 to Dec. 31, 2024. (Ref #2023-05)
  - *INT 22-02: Third Quarter 2022 through Second Quarter 2023 Reporting of the Inflation Reduction Act - Corporate Alternative Minimum Tax*: Revisions extend this interpretation for the second-quarter 2023 statutory financial statements.

*Financial Condition (E) Committee Technical Changes*

- 2023-11EP Editorial and Maintenance Update: Revisions change references of “intrinsic value” to “volatility value” in *SSAP No. 86—Derivatives*. In addition, “percent” is changed to “%,” and all citations to the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) are streamlined so they do not reflect a specific location in the P&P Manual or a web page.
- *Appendix D—Nonapplicable GAAP Pronouncements*: The following U.S. generally accepted accounting principles (GAAP) standards were rejected as not applicable to statutory accounting:
  - *ASU 2019-07—Codification Updates to SEC Sections: Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10532, Disclosure Update and Simplification, and Nos. 33-10231 and 33-10442, Investment Company Reporting Modernization, and Miscellaneous Updates*. (Ref #2023-08)
  - *ASU 2020-09, Amendments to SEC Paragraphs Pursuant to SEC Release No. 33-10762—Debt (Topic 470)*. (Ref #2023-09)
  - *ASU 2022-05, Transition for Sold Contracts*. (Ref #2023-10)

**2. Financial Condition Examiners Handbook Changes, Other Examination Tools, and Related Items**

- None

**3. Financial Analysis Handbook Changes and Related Items**

- Adopted enhancements to regulator-only tools.

**4. Implementation Guide for Annual Financial Reporting Model Regulation (#205) Changes and Related Items**

- None

**5. Annual Statement Instructions Changes and Related Items**

- 2022-17BWG Modified: Add a new disclosure paragraph for Note 8 – Derivative Instruments and Illustration. The new disclosure is to be data captured. Add electronic-only columns related to derivatives with excluded components to Schedule DB, Part A and Part B for both Section 1 and Section 2. Add new code column instructions for Schedule DB, Part A and B (SAPWG 2021-20).
- 2023-01BWG Modified: Remove pet insurance from the inland marine line of business and add a new line of business to the Appendix – P/C Lines of Business. Add a pet insurance line within the existing property/casualty (P/C) blank for the Underwriting and Investment Exhibits, Exhibit of Premiums and Losses (State Page), and Insurance Expense Exhibit. Add new Schedule P Parts 1 through 4, specific to pet insurance.
- 2023-02BWG Modified: Add an exhibit to identify premiums that are reportable for Market Conduct Annual Statement (MCAS) purposes.
- 2023-03BWG: Remove life crosschecks for columns 2, 6, and 10 on the Accident and Health Policy Experience Exhibit (AHPEE).
- 2023-04BWG Modified: Add instructions for the appointed actuary and qualified actuary contacts to the Jurat electronic-only section.

- 2023-08BWG: Add clarifying language for mutual insurance companies on Schedule Y, Part 3.
- 2023-10BWG Modified: Update the three primary issue periods on Long-Term Care Experience Reporting Form 2.
- 2023-11BWG Modified: Add additional instructions and illustration to be data captured for Note 7 – Investment Income in the Notes to the Financial Statement to disclose more information on interest.
- Adopted its editorial listing.

**6. *Purposes and Procedures Manual of the NAIC Investment Analysis Office (P&P Manual) and Related Items***

- Adopted the following amendments to the P&P Manual:
  - Update to clarify the meaning of repurchase agreements in the derivatives transaction definition for funds in Part Three of the P&P Manual.

**7. *NAIC Risk-Based Capital (RBC) Formula Changes and Related Items***

- Adopted the following amendments to the RBC formulas:
  - Proposal 2023-02-P: Annual update of the industry underwriting factors (premium and reserve) in the P/C RBC formula.
  - Proposal 2022-09-CA: Modifying the instructions and structure for the affiliated investment for all lines of business.
  - Proposal 2022-16-CA: Updating the underwriting factors for comprehensive medical, Medicare supplement, and dental and vision for the investment income adjustment.
  - Proposal 2023-01-CA: Clarifying the instructions for stop loss premiums in the underwriting risk – experience fluctuation risk, other underwriting risk and stop loss interrogatories.
  - Proposals 2023-03-IRE and 2023-04-IRE: Modifying the other long-term assets, calculation of tax effect for life and fraternal risk-based capital, calculation of authorized control level RBC, and the sensitivity testing exhibits in the life RBC formula to include residual tranches in a separate line.
  - Proposal 2023-05-L: Eliminating the dual presentation of the life RBC 2.5 threshold trend test.
  - Proposal 2023-06-L: Modifying the life blank and instructions for C2 life mortality on LR025, LR026, LR030, and LR031.
  - Proposal 2023-07-L: Align the CM6 and CM7 life RBC factors for nonperforming commercial and farm mortgages with the RBC factors for Schedule A and Schedule BA investments in real estate as those factors were adjusted in 2021.

**8. *Uniform Certificate of Authority Application (UCAA), Company Licensing Best Practices Handbook, and Related Items***

- None



**9. NAIC Own Risk and Solvency Assessment (ORSA) Guidance Manual (ORSA Guidance Manual) and Related Items**

- None.

**10. Receiver's Handbook for Insurance Company Insolvencies (Receiver's Handbook) and Related Items**

- None.

**11. Process for Evaluating Qualified and Reciprocal Jurisdictions and Related Items**

- None.

**13. NAIC Enterprise Risk Report (Form F) Implementation Guide and Related Items**

- None.

**14. Troubled Insurance Company Handbook Changes and Related Items**

- None.

**15. Risk Retention Group (RRG) Regulatory Tools and Related Items**

- None.

**16. Group Capital Calculation (GCC) Instructions and Template**

- Adopted the excess relative ratio (ERR) scalar as the primary scalar methodology to be used in the GCC year-end 2023 GCC template and instructions.

**17. Financial Stability/Macroprudential Risk Assessment Tools and Related Items**

- Adopted the macroprudential reinsurance worksheet.

LATF VM Amendment	Valuation Manual Reference	Valuation Manual Amendment Proposal Descriptions	LATF Adoption Date	Page Number
2022-06	VM-31 Section 3.D.5	This amendment adds in a VM-31 requirement to disclose the inflation assumption for Life PBR.	10/6/22	3
2022-07	VM-20 Section 3.C.1.g, VM-20 Section 6.B.5.d.	This amendment clarifies the intent and calculation of the mortality adjustments to the CSO table when anticipated mortality exceeds the prescribed CSO table. The current wording of Section 3.C.1.g has led to confusion by many and a lack of consistent interpretations.	1/26/23	6
2022-08	VM-21 Section 3.E, VM-31 Section 2.A, VM-G Section 1 and Section 4.A.3.	Clarify requirements on groups of contracts that use the Alternative Method/AG33 in VM-21 and are not subject to a principles-based valuation. Such contracts should not be subject to VM-G but still require a sub-report under VM-31.	1/26/23	12
2022-09	VM-21 and VM-31	This amendment includes a series of reporting requirement enhancements related to VM-21 and fixes some errors in the VM language.	3/2/23	16
2022-10	VM-20 Section 2.A.2, Section 3.B.5, and Section 3.B.6	The purpose of this amendment is to add language to address the possibility of policies in the ULSG Reserving Category having a non-material secondary guarantee, and thus becoming excluded from both DR and SR calculations if they pass both the DET and the SET.	2/23/23	22
2023-02	VM-21 4.D.1.a	This amendment adds disclosure requirements in VM-31 and clarifies language in the Annual Statement Instructions related to reporting in the VM-20 Reserves Supplement.	2/23/23	25
2023-03	VM-20 Section 7.E.2 and Guidance Note below, VM-21 Section 4.D.4.c, VM-20 Section 7.K.3, VM-31 Section 3.D.6.f, VM-20 Section 9.A.4	This amendment would do the following: <ul style="list-style-type: none"> <li>• Add a consideration on the assumed cost of borrowing in VM-20 and VM-21,</li> <li>• Clarification of VM-20 hedge modeling, and</li> <li>• Add additional considerations for risk factors other than interest and equities that are stochastically modeled.</li> </ul>	3/21/23	29
2023-01	VM-21 4.D.1.a	The purpose of this amendment is to make the explanation of the starting asset amount consistent in VM-21 section 4.D.1.a.	3/21/23	34
2023-04	VM-31 Section 3.D.3.l.iv	Clarifies requirements where regulators were seeing an issue with PBR Actuarial Reports and inadequate support showing compliance with the requirement that “the company experience mortality rates shall not be lower than the mortality rates the company expects to emerge”.	4/20/23	36
2021-08	VM-51 Section 2.D.	Revisions to VM-51 to allow for the data experience reporting observation calendar year to be one year prior to the reporting calendar year.	5/11/23	39
2023-05	VM-01, VM-21 Section 4.A.4, VM-21 Section 9, VM-21 Section 9.C.2, VM-31 Section 3.F.8.d	Since the reforms of VM-21 and C3P2, ILVA products have experienced major market growth. Several carriers, with the agreement of regulators and auditors, have interpreted the current VM-21 guidance as permitting the effects of index credit hedging to be reflected in product cash flows instead of within the “best efforts” and “adjusted” scenarios. This amendment clarifies those requirements.	6/1/23	42
2023-07	VM-21 Section 6.A.1	The standard projection amount drafting group found that there is very little use of the Company-Specific Market Path (CSMP) method for the VM-21 standard projection amount. Therefore, we recommend removing this method from VM-21 starting in 2025, which gives time to transition for the few companies that currently employ the CSMP method.	6/1/23	49